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BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION

In the Matter of	)	
	)	
Common Carrier Bureau Seeks Comment on	)	
Program To Monitor Impacts of Universal Service	)	CC Docket No. 96-45
Support Mechanisms	)	CCB-IAD File No. 98-101
	)	

Introduction

Pursuant to the Commission's Public Notice, DA No. 98-580, released April 24, 1998, the Education and Library Networks Coalition ("EdLiNC") submits these comments on the data collection efforts that should be included in the FCC's monitoring reports. While the Public Notice requests comments on a number of issues, we will only address those issues which are directly related to the Universal Service Schools and Libraries program established under Sec. 254 of the Telecommunications Act of 1996 (PL 104-104).

EdLiNC is a coalition of more than three dozen education and library organizations.[1] These diverse organizations, representing public, private, urban, and rural schools and libraries, have come together explicitly to work on the Universal Service program for schools and libraries. EdLiNC has filed numerous comments with the Commission in the relevant proceedings, going back more than two years.[2]

To ensure that the program's goal of providing affordable access to advanced

[1]A list of EdLiNC members is attached as Appendix A.

[2]Most of EdLiNC's comments before the FCC are available online at http://www.edlinc.org

telecommunications services for schools and libraries is met, data collection efforts should focus on entities that have successfully integrated technology into the teaching and learning process; those that have not and why; and the barriers hindering full implementation. This information will provide impetus for strengthening the program.

Finally, because of the comprehensive nature of the form, the data harvested from these applications represents a potential goldmine of education technology information. This data should be publicly available for all researchers interested in measuring the impact of the program or monitoring the deployment of information technology in schools and libraries.

Schools and Libraries Data the Commission Should Collect

The FCC should organize the collected data by cross referencing it into a number of different categories. Generally, the FCC needs to analyze data organized by the poverty level of the applicant, the type(s) of Service requested, the type of applicant, contributions data, and the level of support received by the applicant.

Types of Applicants

Eligibility for the program is generally limited to schools and libraries. However, there is a wide range of potential applicants within those categories: individual libraries, library systems, library consortia, individual schools, school districts, consortia of schools (whether formal or informal), dioceses, complete states, state agencies, and educational Service agencies (ESAs). Because these groups are so diverse, and because different policies affect them in different ways, the Commission should include information for each of these groups.

The Commission should break out data on both a state-by-state basis and a nationwide basis. Among the information that the Commission should outline for each group should be: the average school lunch participation rate and discount; the amount of support disbursed to each type of applicant; total spending (the amount paid by the school or library plus the amount reimbursed from the Universal Service fund) on eligible services for each type of applicant; and a breakdown by the size of the applicant (number of students or number of patrons) based on the US Department of Education NCES standard categories.[3]

Poverty Level of Applicant

Poverty has been shown time and again to be one of the most important factors in the deployment of technology.[4] Although most studies have concentrated on individual users, rather than institutions like schools and libraries, it is clear that the neediest schools and libraries are the least likely to have advanced technologies.

In examining the data harvested from the schools and libraries programs, the Commission

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[3]Libraries are typically put into categories based on their population Service areas. These ranges are: less than 5,000; 5,000-999; 10,000-24,999; 50,000-99,999; 100,000-249,999; 250,000-499,999; 500,000-999,999; 1,000,000+ (see 1996 National Survey of Public Libraries and the Internet, July 1996). School districts are put into categories based on the number of enrolled students. Those ranges are: 1-149; 150-299; 300-449; 450-599; 600-799; 800-999; 1,000-1,499; 1,500-1,999; 2,000-2,499; 2,500-4,999; 5,000-7,499; 7,500-9,999; 10,000-24,999; 25,000-99,999, 100,000+ (See Overview of Public Elementary and Secondary Schools and Districts: 1995-96, NCES, February 1998).

[4]Poverty does not explain all of the discrepancies, however. Some researchers have reported differences based on ethnic or racial divisions, as well. Recent research suggests that these gaps may be closing, however. See Birdsell, Muzzio, Krane, and Cottreau, "Web Users Are Looking More Like America," Public Perspective, April/May 1998 (available online at http://www.ropercenter.uconn.edu/pubper/pp93.htm); Hoffman and Novak, "Information Access: Bridging the Racial Divide on the Internet," Science, April 17, 1998.

should examine the poverty distribution of the applicants. As Chairman Kennard and others have said, the first priority of this program should be to ensure that the neediest schools and libraries receive support.[5] In examining the applications, the FCC can and should compare the applicant pool with the pool of potential applicants, and determine whether participation is widespread and/or representative. If not, the data will be useful to the Schools and Libraries Corporation (SLC), the Commission, and the education and library communities in determining where information and outreach campaigns need to be focused.

In measuring participation, the Commission should also examine the relative amounts of support that applicants in various poverty level categories receive. By measuring the absolute dollar amounts of support received by different categories, the Commission can determine the total amount spent by the applicants on eligible Services. This information will help to reveal whether there are discrepancies between the amounts low-income and high-income communities are spending on eligible technologies. If these discrepancies exist and, for instance, low-income communities are unable to leverage resources equivalent to higher-income communities, the levels of discounts may need to be adjusted to provide deeper discounts for the neediest applicants.

Most applicants will be relying on school district-wide numbers in determining their discounts. As such, the discount percentage is unlikely to fall on one of the set discount levels.[6] Based on the collective experience of its member organizations, EdLiNC believes that the

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[5]See 5/8/98 press statement of FCC Chairman William Kennard on the Commission's 5/8/98 Report to Congress (available online at http://www.fcc.gov/Speeches/Kennard/Statements/stwek827.html).

[6]Because the discount calculations require the use of an average of the various schools weighted by their school populations, the levels of discounts usually are not equivalent to the levels anticipated in the original discount matrix.

Commission should divide applicants based on the level of participation in the school lunch program. We suggest that the Commission divide applicants into those whose discount range are from 1-40%, 41-50%, 51-60%, 61-70%, 71-80%, and 81-90%. These six categories are sufficient to gauge the various strata of applicants.

Type of Service

The Commission should, in its Monitoring Reports, also categorize applicants based on the type(s) of support requested. The Commission has determined that there are generally three categories of eligible Services: telecommunications Services, Internet Services, and internal connections. These three categories encompass the universe of eligible Services.[7]

Within each of these categories, the Commission should measure the total amount of support received by eligible applicants, both on a nationwide and a state-by-state basis. This information will be helpful in determining both the impact of the Universal Service program and the impact of separate, unrelated state and local programs that may have already funded certain eligible Services. This breakdown will also show whether there are differences in the amounts of support requested based on geographic distribution. For instance, one would expect that, on a per-applicant basis, the total cost of telecommunications Services for a rural applicant would be higher than that of an urban applicant (all other things being equal). By mapping the distribution of funding, the Commission can show definitively where the benefits of the program are going, and what geographically diverse applicants are requesting.

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[7]While determining whether certain Services fit within one of these categories is an ongoing process, applicants are required to categorize each of the various Services for which they are requesting support into one of these three categories.

The Commission should also list individually the 25 applicants receiving the highest level of support, both nationally and on a state-by-state basis.[8] This information will be useful to analysts in determining whether the applicants receiving the greatest amount of support are also the largest applicants with the deepest discounts, or whether the largest amounts of support are going to applicants with smaller discounts who are leveraging greater local funding. The Commission should also list the vendors, both nationally and on a state-by-state basis, who are receiving the greatest reimbursement from the Universal Service fund (as outlined in "Payouts" below). This information will be helpful in determining whether the greatest amount of business is going to large Service providers, or whether niche marketing companies aiming at the education market are garnering the greatest number of contracts from eligible schools and libraries.

Another important issue the Commission should monitor in its Report is the projected total amount to be spent on eligible Services, on a Service-by-Service basis (in each state and nationwide). While this amount will not give a definitive figure for how much is spent on information technology each year, this figure will provide, for future years, a baseline to measure the growth of information technology in schools and libraries.[9]

Finally, the Commission should analyze the one-time versus ongoing levels of expenses among applicants. This figure will, over time, help the Commission and others to predict the

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[8]25 is an arbitrary number, and should be adjusted by the Commission as it sees fit.

[9]According to the KickStart Report -- which is one of the sources used by the Joint Board to arrive at the $2.25 billion amount -- the initial deployment of technology in a classroom model will cost $47 billion by 2005, and approximately $14 billion per year thereafter. Of these costs, much of the initial deployment costs and the majority of the annual maintenance costs are not eligible for support from the Universal Service program. See Kickstart Initiative: Connecting America's Communities to the Information Superhighway, US Advisory Council on the National Information Infrastructure, 1996, p.95.

levels of funding that will be necessary (since one-time expenses will probably not be recurring for each applicant on an annual basis).

Contributions

The Commission should gather and list data on contributions by each telecommunications carrier. This data should be listed for each company as a total ($) figure, and as a percentage of both its gross telecommunications revenues and net telecommunications revenues. In addition, the Commission should determine what the total Universal Service contributions are for each telecommunications company (for all of the Universal Service programs, including schools and libraries, rural health care, high cost, and low income programs), and what the relative percentages are for each of these programs in light of the total contributions of each company. While this will be difficult until all of these programs are made explicit, it will help policymakers to determine where the subsidies within the telecommunications industry are flowing and whether those flows need to be readjusted based on changing needs and priorities.

Payouts

The Commission, as part of its oversight of the Universal Service program, should also analyze which companies are receiving the greatest amount of Universal Service support, on both a state-by-state basis and nationwide. While obviously not all of this information could easily be published in the printed version of the report, we hope that the FCC will make a complete database of all Service providers -- and the amount of reimbursement they receive from the fund -- available online for all interested researchers. The Commission should also indicate whether the

payments are delivered as reimbursements, or whether they are used as offsets to the Universal Service responsibilities of the companies involved.

As outlined in "Types of Applicants" above, the Commission should also include information on the amount of support going to various states, and the amount of support going to the different types of applicants in each state.

Public Availability of Data

In addition to publishing its analysis of the data collected from this program in its monitoring report, the FCC should ensure that the data itself is available to the public online in an easily used format. Making this data available publicly in a common format will allow members of the public, education and library researchers, telecommunications companies, schools, libraries, and political leaders to examine the data themselves and to reach their own conclusions as to how monies have been spent. This approach would, incidentally, also complement a recent initiative announced by the US Department of Education to engage in intensive research as to the benefits of technology in schools.[10]

Conclusion

As outlined above, we believe that the Commission should ensure that valid, intensive information about the schools and libraries Universal Service program is available as soon as

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[10]This research initiative has been included as part of the FY 1999 budget request for the US Department of Education. See the FY 1999 budget summary, available online at http://www.ed.gov/offices/OUS/Budget99/BudgetSum/index.html.

possible to ensure that policy debates do not occur in a vacuum. In addition, we request that the Commission work to ensure that data is available publicly and freely, so that all interested parties can take advantage of the work that the Commission has done.

Respectfully Submitted,

EdLiNC

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Appendix A: Members of EdLiNC

EdLiNC is a coalition of educational and library groups that have been working together to provide schools and libraries with affordable access to telecommunications and to ensure the effective implementation of the Snowe-Rockefeller-Exon-Kerrey Amendment. More information about EdLiNC is available from our website at http://www.edlinc.org. EdLiNC's members include:

Alliance for Community Media
American Association for Adult and Continuing Education
American Association of Educational Service Agencies
American Association of School Administrators
American Library Association
American Psychological Association
Association for Education Communications and Technology
Association for Supervision and Curriculum Development
Association for the Advancement of Computing in Education
American Vocational Association
Center for Media Education
Consortium for School Networking
Council for American Private Education
Council of Chief State School Officers
Education Legislative Services, Inc.
Educational Testing Service
Federation of Behavioral Psychological and Cognitive Sciences
Global Village Schools Institute
International Society for Telecommunications in Education
International Telecomputing Consortium
National Association of Counties
National Association of Elementary School Principals
National Association of Independent Schools
National Association of Secondary School Principals
National Association of State Boards of Education
National Association of Student Financial Aid Administrators
National Catholic Educational Association
National Education Association
National Education Knowledge Industry Association
National Grange
National Rural Education Association

National Rural Electric Cooperative Association
National School Boards Association
Organizations Concerned about Rural Education
People for the American Way Action Fund
United States Catholic Conference
United States Distance Learning Association